

1 AMENDMENT TO SENATE BILL 2288

2 AMENDMENT NO. _____. Amend Senate Bill 2288, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 1. Short title. This Act may be cited as the
6 FY2003 Budget Implementation (Gaming) Act.

7 Section 5. Purpose. It is the purpose of this Act to
8 make the changes in State programs relating to gaming that
9 are necessary to implement the State's FY2003 budget.

10 Section 10. The Riverboat Gambling Act is amended by
11 changing Sections 4, 7, and 13 as follows:

12 (230 ILCS 10/4) (from Ch. 120, par. 2404)

13 Sec. 4. Definitions. As used in this Act:

14 (a) "Board" means the Illinois Gaming Board.

15 (b) "Occupational license" means a license issued by the
16 Board to a person or entity to perform an occupation which
17 the Board has identified as requiring a license to engage in
18 riverboat gambling in Illinois.

19 (c) "Gambling game" includes, but is not limited to,
20 baccarat, twenty-one, poker, craps, slot machine, video game

1 of chance, roulette wheel, klondike table, punchboard, faro
2 layout, keno layout, numbers ticket, push card, jar ticket,
3 or pull tab which is authorized by the Board as a wagering
4 device under this Act.

5 (d) "Riverboat" means a self-propelled excursion boat,
6 ~~or a permanently moored barge, or permanently moored barges~~
7 that are permanently fixed together on which lawful gambling
8 is authorized and licensed as provided in this Act.

9 (e) (Blank).

10 (f) "Dock" means the location where a riverboat moors
11 for the purpose of embarking passengers for and disembarking
12 passengers from the riverboat.

13 (g) "Gross receipts" means the total amount of money
14 exchanged for the purchase of chips, tokens or electronic
15 cards by riverboat patrons.

16 (h) "Adjusted gross receipts" means the gross receipts
17 less winnings paid to wagerers.

18 (i) "Cheat" means to alter the selection of criteria
19 which determine the result of a gambling game or the amount
20 or frequency of payment in a gambling game.

21 (j) "Department" means the Department of Revenue.

22 (k) "Gambling operation" means the conduct of authorized
23 gambling games upon a riverboat.

24 (Source: P.A. 91-40, eff. 6-25-99.)

25 (230 ILCS 10/7) (from Ch. 120, par. 2407)

26 Sec. 7. Owners Licenses.

27 (a) The Board shall issue owners licenses to persons,
28 firms or corporations which apply for such licenses upon
29 payment to the Board of the non-refundable license fee set by
30 the Board, upon payment of a \$25,000 license fee for the
31 first year of operation and a \$50,000 ~~\$57,000~~ license fee for
32 each succeeding year and upon a determination by the Board
33 that the applicant is eligible for an owners license

1 pursuant to this Act and the rules of the Board. A person,
2 firm or corporation is ineligible to receive an owners
3 license if:

4 (1) the person has been convicted of a felony under
5 the laws of this State, any other state, or the United
6 States;

7 (2) the person has been convicted of any violation
8 of Article 28 of the Criminal Code of 1961, or
9 substantially similar laws of any other jurisdiction;

10 (3) the person has submitted an application for a
11 license under this Act which contains false information;

12 (4) the person is a member of the Board;

13 (5) a person defined in (1), (2), (3) or (4) is an
14 officer, director or managerial employee of the firm or
15 corporation;

16 (6) the firm or corporation employs a person
17 defined in (1), (2), (3) or (4) who participates in the
18 management or operation of gambling operations authorized
19 under this Act;

20 (7) (blank); or

21 (8) a license of the person, firm or corporation
22 issued under this Act, or a license to own or operate
23 gambling facilities in any other jurisdiction, has been
24 revoked.

25 (b) In determining whether to grant an owners license to
26 an applicant, the Board shall consider:

27 (1) the character, reputation, experience and
28 financial integrity of the applicants and of any other or
29 separate person that either:

30 (A) controls, directly or indirectly, such
31 applicant, or

32 (B) is controlled, directly or indirectly, by
33 such applicant or by a person which controls,
34 directly or indirectly, such applicant;

1 (2) the facilities or proposed facilities for the
2 conduct of riverboat gambling;

3 (3) the highest prospective total revenue to be
4 derived by the State from the conduct of riverboat
5 gambling;

6 (4) the good faith affirmative action plan of each
7 applicant to recruit, train and upgrade minorities in all
8 employment classifications;

9 (5) the financial ability of the applicant to
10 purchase and maintain adequate liability and casualty
11 insurance;

12 (6) whether the applicant has adequate
13 capitalization to provide and maintain, for the duration
14 of a license, a riverboat; and

15 (7) the extent to which the applicant exceeds or
16 meets other standards for the issuance of an owners
17 license which the Board may adopt by rule.

18 (c) Each owners license shall specify the place where
19 riverboats shall operate and dock.

20 (d) Each applicant shall submit with his application, on
21 forms provided by the Board, 2 sets of his fingerprints.

22 (e) The Board shall may issue ~~up--to~~ 10 licenses
23 authorizing the holders of such licenses to own riverboats.
24 In the application for an owners license, the applicant shall
25 state the dock at which the riverboat is based and the water
26 on which the riverboat will be located. The Board shall
27 issue 5 licenses to become effective not earlier than January
28 1, 1991. Three of such licenses shall authorize riverboat
29 gambling on the Mississippi River, or in a municipality that
30 (1) borders on the Mississippi River or is within 5 miles of
31 the city limits of a municipality that borders on the
32 Mississippi River and (2), on the effective date of this
33 amendatory Act of the 92nd General Assembly, has a riverboat
34 conducting riverboat gambling operations pursuant to a

1 license issued under this Act; one of which shall authorize
2 riverboat gambling from a home dock in the city of East St.
3 Louis. One other license shall authorize riverboat gambling
4 on the Illinois River south of Marshall County. The Board
5 shall issue 1 additional license to become effective not
6 earlier than March 1, 1992, which shall authorize riverboat
7 gambling on the Des Plaines River in Will County. The Board
8 may issue 4 additional licenses to become effective not
9 earlier than March 1, 1992. In determining the water upon
10 which riverboats will operate, the Board shall consider the
11 economic benefit which riverboat gambling confers on the
12 State, and shall seek to assure that all regions of the State
13 share in the economic benefits of riverboat gambling.

14 In granting all licenses, the Board may give favorable
15 consideration to economically depressed areas of the State,
16 to applicants presenting plans which provide for significant
17 economic development over a large geographic area, and to
18 applicants who currently operate non-gambling riverboats in
19 Illinois. The Board shall review all applications for owners
20 licenses, and shall inform each applicant of the Board's
21 decision.

22 An owners licensee that receives an owners license
23 authorizing it to begin conducting riverboat gambling
24 operations on or after the effective date of this amendatory
25 Act of the 92nd General Assembly shall attain a level of at
26 least 20% minority person and female ownership, at least 16%
27 and 4% respectively, within a time period prescribed by the
28 Board, but not to exceed 12 months from the date the licensee
29 begins conducting riverboat gambling operations. The
30 12-month period shall be extended by the amount of time
31 necessary to conduct a background investigation pursuant to
32 Section 6. For the purposes of this Section, the terms
33 "female" and "minority person" have the meanings provided in
34 Section 2 of the Business Enterprise for Minorities, Females,

1 and Persons with Disabilities Act.

2 The Board may revoke the owners license of a licensee
3 which fails to begin conducting gambling within 15 months of
4 receipt of the Board's approval of the application if the
5 Board determines that license revocation is in the best
6 interests of the State.

7 (f) The first 10 owners licenses issued under this Act
8 shall permit the holder to own up to 2 riverboats and
9 equipment thereon for a period of 3 years after the effective
10 date of the license. Holders of the first 10 owners licenses
11 must pay the annual license fee for each of the 3 years
12 during which they are authorized to own riverboats.

13 (g) Upon the termination, expiration, or revocation of
14 each of the first 10 licenses, which shall be issued for a 3
15 year period, all licenses are renewable annually upon payment
16 of the fee and a determination by the Board that the licensee
17 continues to meet all of the requirements of this Act and the
18 Board's rules. However, for licenses renewed on or after May
19 1, 1998, renewal shall be for a period of 4 years, unless the
20 Board sets a shorter period.

21 (h) An owners license shall entitle the licensee to own
22 up to 2 riverboats. A licensee shall limit the number of
23 gambling participants to 1,200 for any such owners license. A
24 licensee may operate both of its riverboats concurrently,
25 provided that the total number of gambling participants on
26 both riverboats does not exceed 1,200. Riverboats licensed to
27 operate on the Mississippi River and the Illinois River south
28 of Marshall County shall have an authorized capacity of at
29 least 500 persons. Any other riverboat licensed under this
30 Act shall have an authorized capacity of at least 400
31 persons.

32 (i) A licensed owner is authorized to apply to the Board
33 for and, if approved therefor, to receive all licenses from
34 the Board necessary for the operation of a riverboat,

1 including a liquor license, a license to prepare and serve
 2 food for human consumption, and other necessary licenses.
 3 All use, occupation and excise taxes which apply to the sale
 4 of food and beverages in this State and all taxes imposed on
 5 the sale or use of tangible personal property apply to such
 6 sales aboard the riverboat.

7 (j) The Board may issue a license authorizing a
 8 riverboat to dock in a municipality or approve a relocation
 9 under Section 11.2 only if, prior to the issuance of the
 10 license or approval, the governing body of the municipality
 11 in which the riverboat will dock has by a majority vote
 12 approved the docking of riverboats in the municipality. The
 13 Board may issue a license authorizing a riverboat to dock in
 14 areas of a county outside any municipality or approve a
 15 relocation under Section 11.2 only if, prior to the issuance
 16 of the license or approval, the governing body of the county
 17 has by a majority vote approved of the docking of riverboats
 18 within such areas.

19 (Source: P.A. 91-40, eff. 6-25-99.)

20 (230 ILCS 10/13) (from Ch. 120, par. 2413)

21 Sec. 13. Wagering tax; rate; distribution.

22 (a) Until January 1, 1998, a tax is imposed on the
 23 adjusted gross receipts received from gambling games
 24 authorized under this Act at the rate of 20%.

25 (a-1) From Beginning January 1, 1998 until July 1, 2002,
 26 a privilege tax is imposed on persons engaged in the business
 27 of conducting riverboat gambling operations, based on the
 28 adjusted gross receipts received by a licensed owner from
 29 gambling games authorized under this Act at the following
 30 rates:

31 15% of annual adjusted gross receipts up to and
 32 including \$25,000,000;

33 20% of annual adjusted gross receipts in excess of

1 \$25,000,000 but not exceeding \$50,000,000;
2 25% of annual adjusted gross receipts in excess of
3 \$50,000,000 but not exceeding \$75,000,000;
4 30% of annual adjusted gross receipts in excess of
5 \$75,000,000 but not exceeding \$100,000,000;
6 35% of annual adjusted gross receipts in excess of
7 \$100,000,000.

8 (a-2) Beginning July 1, 2002, a privilege tax is imposed
9 on persons engaged in the business of conducting riverboat
10 gambling operations, based on the adjusted gross receipts
11 received by a licensed owner from gambling games authorized
12 under this Act at the following rates:

13 15% of annual adjusted gross receipts up to and
14 including \$25,000,000;

15 22.5% of annual adjusted gross receipts in excess of
16 \$25,000,000 but not exceeding \$50,000,000;

17 27.5% of annual adjusted gross receipts in excess of
18 \$50,000,000 but not exceeding \$75,000,000;

19 32.5% of annual adjusted gross receipts in excess of
20 \$75,000,000 but not exceeding \$100,000,000;

21 37.5% of annual adjusted gross receipts in excess of
22 \$100,000,000 but not exceeding \$150,000,000;

23 45% of annual adjusted gross receipts in excess of
24 \$150,000,000 but not exceeding \$200,000,000;

25 50% of annual adjusted gross receipts in excess of
26 \$200,000,000.

27 The privilege tax imposed under this subsection (a-2)
28 shall no longer be imposed or collected beginning on the
29 first date after the effective date of this amendatory Act
30 that riverboat gambling operations are conducted pursuant to
31 a dormant license. For the purposes of this subsection
32 (a-2), the term "dormant license" means an owners license
33 that is authorized by this Act under which no riverboat
34 gambling operations are being conducted on the effective date

1 of this amendatory Act of the 92nd General Assembly.

2 (a-3) Beginning on the day following the day on which
3 the tax imposed under subsection (a-2) is no longer imposed,
4 a privilege tax is imposed on persons engaged in the business
5 of conducting riverboat gambling operations, based on the
6 adjusted gross receipts received by a licensed owner from
7 gambling games authorized under this Act at the following
8 rates:

9 15% of annual adjusted gross receipts up to and
10 including \$25,000,000;

11 20% of annual adjusted gross receipts in excess of
12 \$25,000,000 but not exceeding \$50,000,000;

13 25% of annual adjusted gross receipts in excess of
14 \$50,000,000 but not exceeding \$75,000,000;

15 30% of annual adjusted gross receipts in excess of
16 \$75,000,000 but not exceeding \$100,000,000;

17 35% of annual adjusted gross receipts in excess of
18 \$100,000,000.

19 (a-10) The taxes imposed by this Section shall be paid
20 by the licensed owner to the Board not later than 3:00
21 o'clock p.m. of the day after the day when the wagers were
22 made.

23 (b) Until January 1, 1998, 25% of the tax revenue
24 deposited in the State Gaming Fund under this Section shall
25 be paid, subject to appropriation by the General Assembly, to
26 the unit of local government which is designated as the home
27 dock of the riverboat. Beginning January 1, 1998, from the
28 tax revenue deposited in the State Gaming Fund under this
29 Section, an amount equal to 5% of adjusted gross receipts
30 generated by a riverboat shall be paid monthly, subject to
31 appropriation by the General Assembly, to the unit of local
32 government that is designated as the home dock of the
33 riverboat.

34 (c) Appropriations, as approved by the General Assembly,

1 may be made from the State Gaming Fund to the Department of
2 Revenue and the Department of State Police for the
3 administration and enforcement of this Act.

4 (c-5) After the payments required under subsections (b)
5 and (c) have been made, an amount equal to 15% of the
6 adjusted gross receipts of a riverboat (1) that relocates
7 pursuant to Section 11.2, or (2) for which an owners license
8 is initially issued after the effective date of this
9 amendatory Act of 1999, whichever comes first, shall be paid
10 from the State Gaming Fund into the Horse Racing Equity Fund.

11 (c-10) Each year the General Assembly shall appropriate
12 from the General Revenue Fund to the Education Assistance
13 Fund an amount equal to the amount paid into the Horse Racing
14 Equity Fund pursuant to subsection (c-5) in the prior
15 calendar year.

16 (c-15) After the payments required under subsections
17 (b), (c), and (c-5) have been made, an amount equal to 2% of
18 the adjusted gross receipts of a riverboat (1) that relocates
19 pursuant to Section 11.2, or (2) for which an owners license
20 is initially issued after the effective date of this
21 amendatory Act of 1999, whichever comes first, shall be paid,
22 subject to appropriation from the General Assembly, from the
23 State Gaming Fund to each home rule county with a population
24 of over 3,000,000 inhabitants for the purpose of enhancing
25 the county's criminal justice system.

26 (c-20) Each year the General Assembly shall appropriate
27 from the General Revenue Fund to the Education Assistance
28 Fund an amount equal to the amount paid to each home rule
29 county with a population of over 3,000,000 inhabitants
30 pursuant to subsection (c-15) in the prior calendar year.

31 (c-25) After the payments required under subsections
32 (b), (c), (c-5) and (c-15) have been made, an amount equal to
33 2% of the adjusted gross receipts of a riverboat (1) that
34 relocates pursuant to Section 11.2, or (2) for which an

1 owners license is initially issued after the effective date
2 of this amendatory Act of 1999, whichever comes first, shall
3 be paid from the State Gaming Fund into the State
4 Universities Athletic Capital Improvement Fund.

5 (d) From time to time, the Board shall transfer the
6 remainder of the funds generated by this Act into the
7 Education Assistance Fund, created by Public Act 86-0018, of
8 the State of Illinois.

9 (e) Nothing in this Act shall prohibit the unit of local
10 government designated as the home dock of the riverboat from
11 entering into agreements with other units of local government
12 in this State or in other states to share its portion of the
13 tax revenue.

14 (f) To the extent practicable, the Board shall
15 administer and collect the wagering taxes imposed by this
16 Section in a manner consistent with the provisions of
17 Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b,
18 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and
19 Section 3-7 of the Uniform Penalty and Interest Act.

20 (Source: P.A. 90-548, eff. 12-4-97; 91-40, eff. 6-25-99.)

21 Section 99. Effective date. This Act takes effect upon
22 becoming law."